

SLATE FUNDING 09/05 User's Guide

The current document provides a resume of the principal contractual stages relating to the Agreement signed between your company and the Education, Audiovisual & Culture Executive Agency following your response to the Calls for Proposals 09/05. This document is strictly informative and is of no legal value whatsoever.

I) Identification of the projects and the payment of the grant

The European Commission has allocated to you a global contribution of between 60,000€ and 150,000€, (the amount is stated in Article I.3.3 of the Agreement), which must be used for the development of at least three projects.

I.1) Identification of projects

The details relating to each submitted and accepted project (name, type, provisional budget and amount of the MEDIA contribution) are contained in Annex I of your Slate Funding Agreement. The MEDIA grant must be used only for these projects and for the amount previously accepted.

I.2) Payment of the grant

The MEDIA grant will be paid in three instalments:

- a pre-financing payment equivalent to 50% of the global contribution is paid automatically upon the signing of the Slate Funding Agreement
- a second pre-financing payment equivalent to 30% of the global contribution is paid following the acceptance of a "Progress Report"
- a final payment (balance) equivalent to a maximum of 20% of the global contribution is paid following the acceptance of a "Final Report".

II) Progress Report

In order to release the second instalment of the pre-financing, you must submit a Progress Report. This report must be submitted no later than 18 months after the signing of the Agreement. The report contains, for each project, (at least three), the following elements:

- an update on the development of the project and progress in securing funding ("Progress Report form")
- accounts showing the actual costs incurred up to the date of submission of the Progress Report
- proof (bank statement or equivalent) of payments made to writers, and relating to the purchase or reservation of the rights for the project being developed

- the most recent version of the script (or equivalent: treatment, design document, demo), showing the development work that has taken place since the submission of your application for Slate Funding support. This document must carry the wording "Developed with the support of the MEDIA Programme of the European Community" and bear the MEDIA logo. You can download a logo from our site: <http://www.d-and-s.com/logos/index.php>

The Commission reserves the right to demand the submission of any other documents judged necessary for the evaluation of the development of each project.

Furthermore, the Progress Report must be accompanied by a bank statement showing that at least 70% of the first instalment paid into your specific bank account by the Commission has been used. This amount must have been shared among at least three projects.

The acceptance of the Progress Report will release the second instalment (30% of the global contribution).

III) Final Report

In order to release the final amount of the MEDIA contribution and to close your Slate Funding Agreement you must submit a Final Report. This report must be submitted no later than 26 months after the signing of the Agreement, which is, at the latest, two months after the end of the period of eligible costs.

The Final Implementation Report is to:

- present the state of advancement of each project
- show how the MEDIA support has been used
- allow the Commission to approve the reallocation of the grant following the entry into production of any projects
- calculate the definitive global amount of MEDIA support

III.1 Development costs: Eligibility Period and Budget Variations

a) Eligibility Period for costs under Item 1 "Rights" of the budget:

The period of eligibility of costs begins 12 months before the date of reception of your submission. It ends at the latest 24 months after the date of signing of the Agreement. If the project enters into production during the 24 months the period of eligibility ends on the date of entry into production (1st day of principal photography or equivalent). Costs invoiced after the entry into production are therefore ineligible.

Attention: Costs which are the subject of an agreement (writer's contract, adaptation agreement etc) signed before the 12 months preceding the reception of your submission will not be considered. If the agreement in question is dated more than 12 months before the date, only the costs invoiced during the eligible period can be taken into consideration.

b) Eligibility Period for costs under Item 2 "Development Department Salaries" and Item 3 "Other Costs" of the budget:

The period of eligibility of costs commences from the date of signature of your Agreement (or the date of reception of your submission if you have chosen to benefit from the possibility of derogation of costs proposed within the application form). It ends no later than 24 months after the date of signing the Agreement. If the project enters into production during the 24 months the eligible costs end on the date of entry into production (1st day of principal photography or equivalent).

If for an exceptional reason, duly justified, you require an extension to the eligibility period you must formally submit a request for an extension to the Agency before the end of the foreseen contractual eligibility period.

c) Budget Variations:

Article I.3.4 of your Agreement stipulates that the provisional budget annexed to it may be adjusted provided that any adjustments do not affect the implementation of the project and does not exceed the total eligible costs. The following procedure must be followed:

- If the amount of one or other of the three budget items increases between 15% and 30% you must advise the Agency in writing at the latest at the time of submission of the final report and provide a justification for the variations.
- If the amount of one or other of the three budget items exceeds 30% you must request the Agency's prior approval and provide a justification. In such cases the adjustments will be the subject of an exchange of letters. Attention: Your request for an adjustment must be made at least one month before the end of the period of eligibility of costs.

III.2) For each of the projects:

You must submit the following documentation:

- an update on the development of the project and progress in securing funding ("Final Implementation Report form")
- accounts ("Final Financial Report") showing the costs met during the eligible period as defined in Article I.2.2 of the Agreement. This budget must be signed by the person who signed the Slate Funding Agreement on behalf of your company and by an independent chartered accountant
- proof (bank statement or equivalent) of payments made to writers and relating to the acquisition or reservation of rights
- the most recent version of the script (or equivalent: treatment, design document, demo), showing the development work that has taken place since the submission of your application for Slate Funding support. This document must carry the wording "Developed with the support of the MEDIA Programme of the European Community" and bear the MEDIA logo. You can download a logo from our site: <http://www.d-and-s.com/logos/index.php>

The MEDIA contribution cannot exceed, for each project, 50% of the certified eligible costs. The final amount will be calculated on the basis of the cumulative support payable towards each project within the limits previously fixed (from 10,000€ (20,000 for fiction) to 50,000€ per project). The Commission reserves the right, in the case of a direct request, previously and duly justified, to approve an increase or decrease in the provisional amount of support per project that has been defined in annex I of the Agreement.

You must demonstrate conclusively that the MEDIA contribution has been used to develop at least three projects: if this is not the case (support used to develop only one or two projects), the Commission reserves the right to demand the full reimbursement of all monies paid out by it.

III.3) Reinvestment:

If one of the supported projects enters into production you must allocate an amount equivalent to the grant requested for that project towards the development of one or more other projects. These reinvestment projects must be in the course of development: a project cannot be supported if its production has already commenced.

This reallocation of the grant is to be submitted to the Commission for approval; you must provide the following documents for each reinvestment project:

- Reinvestment Proposal form: a presentation of the project, accompanied by the necessary documents in annex (copies of writers' contracts, CVs etc). You must ensure that the submitted project is eligible in terms of format and content.
- Reinvestment Budget form: provisional development budget. Please ensure that all calculations are correct, that the budget balances (costs = sources of income), and to only include eligible costs (see Article I.10.1 of your Agreement). If the euro is not your national currency, you must use the monthly exchange rate utilised by the European Commission and published on its website (<http://europa.eu.int/comm/budget/inforeuro/index.cfm>) for the month in which you submit your provisional budget.

III.4) Final Activity Report

You must also submit a Final Activity Report (on plain paper) providing a resume of the impact of the Slate Funding support on your activities and also the general situation regarding your company. To this end, a detailed questionnaire will be sent to you at the same time as the letter requesting the submission of the Final Implementation Report.

III.5) Final payment of the grant and closure of the Agreement

The final global contribution of MEDIA is based upon

- the total of the final contributions allocated to each project
- approval of any subsequent reinvestment proposals

In no case can the final MEDIA contribution exceed the global amount set in Article I.3.3 of your Slate Funding Agreement.

The European Commission will formally advise you of the end of the Agreement following the approval of the Final Implementation Report.

Unless otherwise stated all correspondence should be sent to the following address:

Education, Audiovisual & Culture Executive Agency
 MEDIA Programme Development – Unit P8
 BOUR 3/32B
 Avenue du Bourget, 1
 B – 1140 Brussels

In order to allow us to deal with your dossier in the most efficient way, we would ask that you keep the Agency fully informed of all changes relating to details contained within your Agreement: legal status and address (legal and/or mailing) of your company, change of the legal representative, changes to the specific bank account. These changes must be the subject of a formal modification to your Agreement.